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UNITED STATES DEPARTMENT OF AGRICULTURE  
Agricultural Marketing Service  
Washington 25, D. C.

AMS INSTRUCTION No. 340-2

ACTION BY: All employees

Designation of Beneficiaries

I PURPOSE

The purpose of this Instruction is to call special attention of employees to the rules governing designations of beneficiaries for the following purposes: (a) unpaid compensation (final salary payment, lump-sum leave payment, unpaid travel expenses, etc.), (b) group insurance, and (c) lump-sum retirement fund benefits.

II ORDER OF PAYMENT IF NO BENEFICIARIES ARE DESIGNATED

The laws governing payment to survivors of unpaid compensation, insurance, and money in the retirement fund, provide an order of payment which will apply if the employee has not designated a beneficiary. For all three purposes the order of payment is as follows:

A To his widow or widower.

B If neither of the above, to his child or children in equal shares, with the share of any deceased child distributed among the descendants of that child.

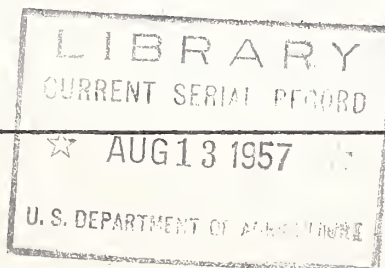
C If none of the above, to his parents in equal shares; or if only one parent survives, the entire amount to that parent.

D If none of the above, to the duly appointed legal representative of his estate, or if there be none, to the person or persons determined to be entitled thereto under the laws of his State of domicile.

III DESIGNATING BENEFICIARIES

A General Rules. An employee need not take any action at all if the order of payment listed in Section II is satisfactory to him for all

DISTRIBUTION: All Employees



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(III A)

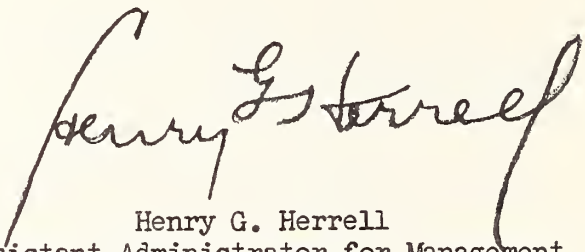
of the three purposes named. If he wishes to vary the order of payment, or name other beneficiaries, for one or more of the purposes, he should complete and file designation forms accordingly. A designation for one purpose does not constitute a designation for the others. For example, if the employee files a designation of beneficiary for unpaid compensation, that designation will not apply to any insurance which may be in force at the time of his death, or to any lump-sum benefit which may be payable from his retirement fund. The insurance and retirement benefits would be paid in the order stated in Section II unless he had also filed a designation of beneficiary for those benefits.

B Procedure to Follow. An employee who wishes to designate a beneficiary for one or more of the three purposes should proceed as follows:

1 Unpaid Compensation. Follow the procedure outlined in AMS Instruction No. 320-2, Designation of Beneficiary for Unpaid Compensation.

2 Group Insurance. Follow the procedure outlined in AMS Instruction No. 349-1, Designation of Beneficiary for Group Insurance.

3 Lump-Sum Retirement Fund Benefit. Obtain from the appropriate personnel office a Standard Form 2808, Designation of Beneficiary - Civil Service Retirement System, and follow the instructions on the back of the form.<sup>1/</sup>

  
Henry G. Herrell  
Assistant Administrator for Management

<sup>1/</sup> No lump-sum retirement fund benefit will be paid to a designated beneficiary as long as there is living any person who qualifies, under provisions of the Retirement Act, to receive survivor annuity benefits either at the time of the employee's death or at a later date. Also no lump-sum payment is payable if all the employee's retirement fund becomes exhausted by the payment of survivor annuity benefits.